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August 14, 1996

Mr. William F. Caton , Secretary
Federal Communications Commission
Room 222
1919 M Street, N. W.
Washington, D. C. 20554

Re: Comments of Voice-Tel in Response to the NPRM relating to Telecommunications Act Safeguards for the BOC Provision of in-Region, InterLATA Services, (CC DOCKET NO. 96-149)

Dear Mr. Caton:

Enclosed for filing with the Commission, on behalf of Voice-Tel are an original and eleven copies of its Comments in the above-captioned docket.

Please date-stamp the extra copy of this letter that has been enclosed for this purpose and return it in the self-addressed envelope that has been provided.

If you have any questions with respect to this matter please do not hesitate to call the undersigned.

Sincerely,

Ruth S. Baker-Battist
Counsel for Voice-Tel

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Enclosures

Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D. C. 20554

In the Matter of

Implementation of the Non-Accounting Safeguards of Sections 271 and 272 of the Communications Act of 1934, as amended;	)	
and	)	CC Docket No. 96-149
Regulatory Treatment of LEC Provision of Interexchange Services Originating in the LEC's Local Exchange Area	)	

COMMENTS OF VOICE-TEL

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An Attorney for Voice-Tel

August 14, 1996

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SUMMARY

As discussed below, these comments are being filed by Voice-Tel franchisees and the franchiser including franchiser owned and operated service centers (Voice-Tel), the provider of a full range of voice messaging services. Voice-Tel and its customers have been the victims of significant discrimination at the hands of the telephone companies in the provision of those service elements that must be purchased from the local exchange telephone companies (hereinafter "telco" or "LEC"). This discrimination takes many forms, some of which are included in the discussion below.

For example, voice messaging competitors of LECs face discrimination in the acquisition and pricing of required service elements. In this regard they are required to pay higher prices than that charged LEC affiliates. Sometimes this is because the telco messaging services use platforms and elements that require levels of "integration" not available to non-affiliates. At other times, higher prices result from the methods in which the LEC can and does devise tariff and policy restrictions that prevent access to the network except on unfavorable terms.

As another example, Voice-Tel and other voice messaging entities that compete with the LEC face discrimination because the LEC is alerted when a voice messaging customer rearranges its telecommunications services to accommodate voice messaging options. Normally, a customer of a LEC competitor or the competitor itself must ask the LEC for changes in basic service or order additional service or service elements. This alerts the LEC to the potential of a sale. Frequently, the customer is contacted and an attempt is made to switch it to a telco service.

The comments below explain in further detail some of the difficulties faced by LEC competitors. In light of these difficulties, Voice-Tel recommends that provision of in-region, interLATA long distance services by local exchange companies (telcos or LEC's) be permitted only where the LEC acts in a pro-competitive manner. These comments recognize that all incumbent LECs have market power in the area in which they operate. All incumbent LECs have the ability to use their market power improperly to gain unfair advantages over their rivals. Therefore, little distinction, if any, should be made between independent LECs and BOCs. The development of robust competition in all telecommunications markets

requires clear rules that provide equal opportunity for all would-be competitors in all areas of telecommunication.

In furtherance of the aims of the Telecommunications Act of 1996, these comments offer suggestions with respect to rules and policies that the FCC might adopt to implement the purposes of that Act. These suggestions are not in the form of drafted rules as the time available has not been sufficient for the group represented herein to thoroughly air differences in language, and the like. Instead, Voice-Tel is offering specific suggestions. These recommendations include matters such as (1) announcements when LECs place orders for new types of equipment that may result in different types of interconnection; (2) requiring co-location without requiring unjustifiable large minimum quantities of service; (3) changes in the current policies that permit LECs to advertise their competitive services within their monthly bills to customers; (4) rules regulating the solicitation of competitive business from customers; (5) adoption of procedures for expedited resolution of problems; and (6) clear policies on equivalency and open dealing with affiliates so that all competitors know the prices at which affiliates obtain the same or comparable services and facilities. The enactment of such rules will best ensure the development of a pro-competitive environment that will lead to lower prices and more choices in the years to come.

Among the actions recommended herein is the application of the rules prescribed earlier this month to require interconnection with other telecommunications carriers. These rules should also be applied to the LECs when dealing with competitor ESPs such as voice messaging services where the enhanced service is ancillary to the basic telephone service and where the LEC uses its basic facilities to compete with the ESP providers of those competitive services. Although in virtually all situations the voice messaging competitor is a reseller of basic services and thus comes within the purview of the new rules, the language of those rules leaves some ambiguity as to the rules' applicability. By making it clear that these providers of ancillary services are also entitled to be treated on the same basis as other providers of telecommunications services, whether those services are basic or enhanced, basic ratepayers, the general public and competition will benefit.

Before the
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and	)	
Regulatory Treatment of LEC Provision of Interexchange Services Originating in the LEC's Local Exchange Area	)	

To the Commission:

COMMENTS OF VOICE-TEL

Two hundred fifteen individually owned and operated small business communications consultants representing 715 employment positions doing business under the common name Voice Tel, through their attorney, hereby files their comments in the above-captioned docket. These comments do not pretend to cover every item upon which comment was invited by the Commission. Rather, the comments contained herein are designed to provide pertinent information that specifically affects the filers of these comments and to indicate the scope of the rules that might be required to effectuate the purposes of the Telecommunications Act of 1996 (the 1996 Act).[1]

I. INTRODUCTION

Voice-Tel provides sophisticated voice messaging services that, among other things allows their customers (1) to respond to messages from other Voice-Tel customers, (2) to receive a message when they choose not to answer the telephone or when the called line is

[1] Telecommunications Act of 1996, Pub. L. No. 104-104, 110 Stat. 56, *to be codified at* 47 U.S.C. §§ 151 *et. seq.*

busy, (3) to respond to messages from other Voice-Tel customers without leaving the "mail box," (4) to pass messages on to other Voice-Tel customers, with or without comment, (5) to send a message to multiple Voice-Tel customers with one call, and (6) to be notified immediately when urgent messages await them. Voice-Tel also acts as a consultant in the provision of telecommunications services, and provides paging and long distance telecommunications services to its customers. All of this can be accomplished using the equipment owned and operated by Voice-Tel so that customers need not make any investment in equipment. Calls to other the mailboxes of other Voice-Tel customers may be made through the Voice-Tel network so that no separate charges for telecommunications are incurred. The Voice-Tel network serves over 3500 cities and communities throughout the United States, Canada and Puerto Rico.

Although there are several unique features offered by Voice-Tel that are not generally available to customers of other voice messaging services, there is substantial competition with local exchange carriers (hereinafter "LECs" or "telcos"). Some of this competition is similar to that faced from other competitors, but because of the unique position that the LEC has as the exclusive provider of basic service, the competition from the LECs is both more severe and broader in scope. This competitive advantage is exacerbated by the fact that the LEC is the sole provider of Voice-Tel access to the telephone network. It is to these features that these comments are addressed.

As discussed below, the unique position of the LEC permits it (1) to preempt normal competition in the offering of voice messaging services (by being the first point of contact for persons wanting new or additional telephone service), (2) to counter-offer in most cases where Voice-Tel has been selected as the provider of voice messaging services (when the customer asks for feature changes, etc. to initiate the Voice-Tel service), and (3) to take advantage of

planned LEC innovations before the information is generally known. Because the LEC offers voice messaging directly and not through an affiliate, all information the LEC obtains can be immediately made available to its own personnel handling or selling voice messaging services. In addition, working with other LEC employees, the voice messaging operation can and does devise means of interconnection with the basic telephone network that enables it to offer services and features at costs that are unavailable to its non-LEC competitors.

Furthermore, insofar as Voice-Tel is concerned, there should be no difference in the treatment of incumbent LECs as the power that they possess in relation to the offerors of voice messaging services does not depend on their ultimate ownership. Thus, whether the LEC is owned by a BOC or is independent should be irrelevant with respect to the suggestions outlined below. All incumbent LECs should be subject to the same rules as conditions to entry into the in-region, interLATA market.

Moreover, the applicability of the interconnection requirements specified in the newly adopted FCC rules is not totally clear. Although Voice-Tel acts as a telecommunications carrier in interconnecting to the network so as to come within the provisions of those rules, questions remain concerning the precise extent to which the provisions of Part 51[2] apply to all of the activities of Voice-Tel and similarly situated LEC competitors[3]. Indeed, as recently as last week, Sprint refused to interconnect a Voice-Tel franchisee on the grounds that it was not a CMRS or a reseller because most of its paging services were sold in connection with its voice messaging services. Although Voice-Tel remains confident that it will eventually be able to persuade Sprint that this is an incorrect conclusion, to do so involves considerable expenditure of time, money and other resources that could better be spent in the pursuit of its

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[2] 47 CFR 51

[3] See §51.323c of the new rules. Although Voice-Tel takes the position that this applies only to the extent that equipment providing the enhanced service is involved, at least one telco, as set forth in the body of this document, Sprint has taken a different position.

business activities. To compete effectively and fairly, Voice-Tel and similarly situated competitors must be able to interconnect at the LEC switch or to co-locate under feasible terms and conditions.

Finally, it should be noted that, within the time period permitted to comment on the NPRM, it has been impossible to address each and every issue raised. Moreover, it is assumed that many commenters will address the different matters contained in the NPRM. Consequently, no attempt has been made to address each and every matter. Rather, these comments address those issues that are of primary importance to Voice-Tel.

Although it is recognized that rules alone are not sufficient to allow innovation to flourish on an industry-wide basis and to prevent unfair competition, it is submitted that the suggested rules and policies outlined below, would make for a better environment as this nation moves into the next millennium.

II. NEED FOR SAFEGUARDS IN CONNECTION WITH PLANNED IMPROVEMENTS TO THE NETWORK

As the FCC is aware, during the time that it takes from the decision of a telephone company to order new types of equipment, or to reconfigure its system in some meaningful way, until the equipment is installed or the change occurs, the telephone company takes steps to insure that the transfer will occur smoothly. This is as it should be if customers are to continue to be served in a seamless manner. The problem occurs because the LEC plans are not provided to telephone company competitors and where such information is forthcoming it is too little, too late. As a result, although customers of the telephone company receive appropriate service, the customers of the LEC competitors often experience seemingly unnecessary delays and disruptions.

Because the employees of LEC affiliates often come from and return to the telco, separation alone does not isolate the affiliate from inside knowledge. The fact is that without unreasonable barriers, it is probably impossible to achieve the isolation that total competitive fairness requires. Nevertheless, a great deal more can and should be done to deprive the telco affiliate from benefiting from inside knowledge of plans that are not available to its competitors. Among the possible safeguards could be rules that would require copies of memos sent to affiliates to be made available in real time to all competitors. Although policing of this might be difficult, the existence of the rule would set the stage for private action where appropriate and would alert the employees of the LECs to the fact that providing inside information to their affiliate is anticompetitive and, thus, not allowed.

In addition, there should be no reason not to require a LEC to inform its competitors when it actually orders new equipment or facilities, giving them information as to the features of the new installations, the expected time of employment of the installation and other particulars that would provide competitors with the lead time necessary to make use of the new installation and its new features. Even though it is not always be possible to enforce rules pertaining to this matter, their mere existence will have a beneficial impact on the competitive environment.

III. SAFEGUARDS IN CONNECTION WITH INTERCONNECTION

There are at least three different ways in which a LEC can and does use interconnection in a way that is anticompetitive. First, it can require unreasonably large amounts of interconnection facilities before it agrees to interconnect at its switch, thus requiring its small competitors to purchase lines and trunks at prices charged retail end users, prices that do not permit real competition. Second, LECs can, and often do, structure their

competitive offering in a manner that permits them to take advantage of their ownership of the switch itself to perform many functions that competitors must perform outside the switch, thus leading to a cost advantage that results in a significant competitive advantage. Although this in and of itself may be "fair" rather than "unfair" competition, it provides an opportunity to engage in unfair pricing by removing a benchmark by which the rates the LEC charges its competitors can be measured. Neither ONA nor CEI corrects this inequality. Finally, the LECs can, and do, discriminate in the manner in which they handle orders from their voice messaging competitors and those customers who purchase voice messaging services from the LEC competitors.

During the course of a pre-divestiture investigation by the FCC (Docket No. 19129), it was found that the Bell System suffered from what was termed an NIH (not invented here) syndrome. This led executives of the system to prefer unique ways to achieve desired ends. As a result, equipment that had been manufactured by companies other than Western Electric was not compatible with what the Bell System had in place. Although much of this has changed since divestiture, there is still a marked tendency for LECs -- most especially BOCs -- to construct unique platforms that make it difficult for competitors to interconnect on a truly equal basis. Thus, in an effort to avoid fair competition, a LEC can and often does seek unique ways to provide a service, such as voice messaging from within its switch. When this is successful, the LEC can then attempt to avoid criticism by pointing out that they do not use the facilities that their competitors use. In the alternative, they can argue that they use the facilities in a different manner. They then argue that the fact that their competitive service may be priced less than what the LECs charge their competitors for a piece of that service is not evidence of discrimination.

In addition to pricing facilities and services at rate levels that make it impossible to compete on a fair basis, there is the added insult of devising ways that effectively prohibit a competitor from bypassing those facilities. Although competitive local exchange entities may eventually be able to serve the direct competitors of the LECs, at the present time competitive local exchange providers exist only in the larger cities and often, only in downtown areas. In the interim, there are many different technologies that a relatively small business can use to avoid the local line and connect directly to a LEC switch. These technologies, however, cannot be used if the LEC refuses to connect at the switch. By setting artificially high minimum capacity requirements, LEC competitors find that they are unable to bypass the local exchange trunks. Commission rules that would require a LEC to interconnect (or co-locate) with minimum requirements would effectively eliminate this important source of unfair competition. This would enable competitors to avoid unreasonably high trunk costs. Even more important, the LEC would face competition it now lacks, As a result, in its own business interest, the LEC would price its trunks fairly.

There are many technologies, most particularly laser facilities that work outside of the normal spectrum, that permit interconnection of as little as one T-1. A rule requiring a LEC to interconnect without requiring massive investment on the part of the competitor, would serve as an important non-accounting safeguard against unfair dealing.

In addition to the above, Voice-Tel often experiences undue delay in the filling of its orders and the orders of its customers. All too frequently, requests for additional lines and trunks seem to be put on the bottom of the list. When orders for additional or reconfigured service are processed, all too often Voice-Tel or its customer experiences unexplained service disruptions that, in turn, provides the LEC with an opportunity to re-solicit the business for itself. Indeed, as recently as August 12, 1996, a Voice-Tel franchisee experienced total loss of

service. This happened in connection with a transfer of services because a cut-off order was executed before the corresponding installation order. This occurred in spite of the fact that the Voice-Tel franchisee had recognized this potential problem and had discussed it fully with the LEC at the time the cut-over was being scheduled. He was assured that this problem would not occur and yet it did.

Simply put, the preferential response time provided to its own services, and the slow response time provided to the LEC competitors result in unfair treatment and unequal business opportunities for the LEC competitor.

IV. AVAILABILITY OF SPECIAL FEATURES

Potential misuse of special features is present wherever there is competition. These comments, however, are confined to a discussion of problems that Voice-Tel faces in its provision of voice messaging services to the public. Although the equipment that Voice Tel uses is sophisticated, it cannot make the LEC switch transfer certain types of information to the customer. Most particularly, there is no way for the Voice Tel switch to send a unique dial tone to the end user telephone to indicate that there is a message waiting. As far as it can be determined this dial tone feature is not separately charged or even priced out separately. It is assumed, therefore, that the costs of this feature fall upon the monopoly customer. Thus, in order to be competitive with the LEC, the Voice Tel franchisee must provide its customers with pagers to alert them that there is a message in their voice mail box. Even though there are certain advantages to having a pager, this does not make up for the advantage of the LEC. The fact that only the LEC sends a dial tone signal results in a competitive advantage not available to non-telco providers of voice messaging. At the very least, there should be rules requiring LECs to make such features available to their competitors at cost where there is no substitute method of obtaining the same feature.

V. INFORMATION CONCERNING CUSTOMER BASE

Another area that requires formalized safeguards is that of the use of the customer base and of information obtained from customers. There may be use of the customer base in many contexts, but in this document we refer only to the experience of providers of voice messaging services. There are at least four different ways in which access to the customer by the LEC provides them with the ability to take unfair advantage of their competitors.

First, the customer base provides the LEC with a ready market. The same personnel that deal with the basic service also handle inquiries concerning their voice messaging "features." When a customer calls for new or additional service, invariably the LEC representative will ask if the customer wants its voice messaging services. LEC personnel no doubt make notes relating to the customer response. If the customer has any interest or if he lives in a particular area of the city or town, the LEC may well follow up with additional calls soliciting business. It is difficult to see how the LEC avoids charging these expenses to its monopoly customers. It is, therefore, assumed that some, if not all of the costs associated with this marketing effort, ends up being charged to the ordinary ratepayer.

Second, when a business customer for voice messaging services decided to use a LEC competitor, it frequently will require some LEC service modifications. This is particularly true where the customer has centrex service. Voice Tel customers have told Voice Tel that in these cases the LEC invariably tries to switch the customer to its service. No other competitor of Voice Tel has this knowledge and the LEC alone can try to change the customer to its service. Moreover, in these cases, the personnel that are assigned to assist monopoly customers, and who are, therefore, presumably being paid for by those monopoly customers, are spending time and money soliciting competitive business. Yet the monopoly customer is

paying for that service. Unless LEC personnel are prohibited from marketing voice messaging without marketing all competitive voice messaging services, the result is unfair competition.

Thirdly, the bills that the LEC sends out often contain sales material concerning their competitive services such as voice messaging. The impression conveyed is that voice messaging is part of the basic services offered by the LEC and that there are no other companies that provide the service. In this connection, the inability of the LEC competitor to signal through the LEC switch that there is a message waiting, reinforces this conception. In simple terms, no LEC should be permitted to market its ancillary services unless it offers to market the services of its competitors on the same basis, or to publicize the availability of similar services from competitors.

Finally, the customer who chooses the LEC voice messaging service is told that he can receive a single bill for all his services. This again, provides the LEC with an unfair advantage because this added feature is unavailable to LEC competitors. In a competitive environment, requiring the LEC to send bills on behalf of voice messaging competitors would not solve the problem. Rather it would provide the LEC with detailed information about the nature and extent of the service being used. In simple terms, where there is competition in the provision of ancillary services, there should not be joint billing.

VI. SPECIFIC RESPONSES TO OTHER MATTER RAISED BY THE NPRM

As noted above, these comments do not pretend to respond to all the matters raised by the NPRM to which they are addressed. Nevertheless, we now provide our answers to certain issues raised in the NPRM not otherwise dealt with above.

A. Number of Separate Affiliates Required (paragraph 33): - - As noted in our comments above, there is a danger that LECs may obtain an unfair competitive advantage based on knowledge of LEC business plans. If a company chooses to place its manufacturing

activities in the same affiliate as it places its competitive services, the same unfair competitive advantage can be obtained as if there were no separate affiliate. Consequently, by putting the manufacturing activities in the same affiliate may make it more difficult for the Commission to police the activities of the LEC. For this reason, we would urge the FCC to reconsider this tentative conclusion.

B. Construction of Limitation under Section 271(h) (paragraph 37): - - A careful reading of the pertinent sections of the Telecommunications Act of 1996 together with the factual background provided above, suggests that the provision in Section 272(a)(2)(B)(i) is not absolute. Rather the presumptions contained therein are subject to the language contained in Section 271(h). Under this reading, the "incidental" services specified in subsection (g) can be required to be in a separate subsidiary if otherwise "required" by the language of Section 254(k). Under these circumstances, a separate affiliate could be required upon a showing that failure to do so, would violate Section 254(k). This interpretation is supported by the instruction to interpret Subsection (g) narrowly. It also best meets the general intent of the Act. Indeed, it is possible that some "incidental" services that are not now subject to competition will become so subject in the future. It is submitted that the expert role of this Commission is to monitor the activities and the competitive arena and to interpret the statute to reflect the purposes and intent of Congress in enacting it. The interpretation suggested herein would do that. With this in mind, we suggest that rules requiring that voice messaging services be offered through separate entities would be within the spirit and the letter of the Act.

C. Compliance of InterLATA information Services with Section 272 (paragraphs 39 & 41): - - Based upon our reading of Section 272, we believe that the language of Section 272(h) applies to the provision of interLATA information services and, as discussed further in (D)

below, there is no basis for concluding otherwise. Indeed, in this connection, we would note that voice messaging services can now be and in the future will increasingly become interLATA in nature. There is, therefore, no business basis for separating out intraLATA information services or in-region and out-of-region interLATA services. Under these circumstances, it is respectfully suggested that all information services be considered to be interLATA in nature for the purposes of the application of the Act. Thus, we agree with the tentative conclusion set forth in Paragraph 41 that all interLATA information services be provided through a separate affiliate.

D. InterLATA Nature of "Information Services" (paragraphs 43- 47): - - Voice-Tel is particularly sensitive to the issues raised in this section of the NPRM. As a practical matter, nowhere are distances blurred more than in the provision of information services. Should the FCC take the position that information services such as voice messaging can be intraLATA, this will do little more than encourage unnecessary duplication of facilities. For the duplication of facilities would avoid the imposition of the restrictions applicable to interLATA services. Furthermore, because persons accessing voice mail and other voice messaging services can and do access on an interLATA basis and because the value of such services is enhanced by this ability, it appears appropriate to consider such services to be interLATA in origin if interLATA access or dissemination is possible. This reflects the actual ways in which voice mail and voice messaging are used. Anything less, restricts the ability of the FCC to police this important national feature and would lead to inconsistent rules by the various states. This, in turn, would constrict the natural development of this increasingly important aspect of telecommunications. In this connection we urge the FCC not to permit a LEC to so structure its offering to avoid FCC oversight. Finally, whether or

not a particular Bell Operating Company (BOC) has received an MFJ waiver, it should not be relevant in determining how its activities should be categorized or regulated.

E. Telemessaging as an Information Service (paragraph 54): - - The Voice-Tel support the FCC's tentative conclusion that telemessaging is an information service that is not exempt from the separate affiliate requirements of Section 272(a). This conclusion is consistent with the language and purposes of the 1996 act and, as detailed above, is necessary to provide a climate for the development of full and fair competition in the public interest.

F. Relationship between Requirements of Computer III and ONA and the provisions of the Telecommunications Act of 1996 (paragraph 68): - - The current rules and policies of the FCC are designed to enable enhanced service providers (ESPs) to obtain the necessary network facilities on an unbundled basis. The statute codifies these requirements and appears to seek to ensure that there will not only be unbundled availability but that the terms and conditions under which the unbundled elements are offered will not act as a barrier to anyone. In simple terms, under the pre-act policies it was possible to be denied access on the basis of the size of an order. Now it is not. Under the pre-act policies, there was little to enforce equal accessibility in terms of time frames, etc. The 1996 Act now mandates such equal treatment.

G. Issues Relating to Discrimination (paragraphs 69-79): - - The major difference between the general provisions prohibiting discrimination in the Communications Act of 1934 and the new provisions of the Telecommunications Act of 1996 is, as concluded by the Commission in its Order relating to Interconnection[4], more stringent. The latter appears to

[4] In the Matter of Implementation of the Local Competition; Provisions in the Telecommunications Act of 1996, Interconnection between Local Exchange Carriers and Commercial Mobile Radio Service Providers, CC Docket No. 96-98, CC Docket No. 95-185 First Report and Order Released August 8, 1996, ¶ 859 " . . . the term "nondiscriminatory" in the 1996 Act is not synonymous with "unjust and unreasonable discrimination" in section 202(a), but rather is a more stringent standard. (Footnote omitted)

prohibit all discrimination, whether or not a case can be made that the discrimination is somehow reasonable, and thus justified. Under the 1996 Act all preferences are declared to be discriminatory and there is no need for the Commission to determine whether or not, under one or another scenario, such preferences might be considered to be reasonable. Thus, the tentative conclusions set forth in paragraph 73 appear valid. As stated therein, the manner in which entities are treated must be the same. No longer can differences in the entities justify differences in treatment. Without regard to what an affiliate is providing, it can not, under the new Act, be accorded any preferential treatment. This corrects an inherent weakness in the prior law and the policies under that law, where charges of discrimination could be avoided by establishing differences that could not be matched by competitors or where the mirroring of the LEC structure in order to get the preferential treatment was too costly. No longer can a LEC avoid the charge of discrimination based upon trivial or avoidable differences; discrimination in any form is prohibited and under the new Act competitors should be assured of equal treatment in all respects. As set forth briefly in the Section VII, *infra*, it is suggested that the FCC enact a rule requiring all elements be made available to affiliates only on a tariffed or published basis that clearly sets forth the terms and conditions as well as the price of those elements. In addition, any minimum amounts or discounts for quantity purchases must be clearly justified by the costs.

VII. SPECIFIC SUGGESTIONS FOR RULES

What follows are specific substantive suggestions for Rules that the Commission might consider promulgating in light of the comments set forth above. As noted in the summary, no attempt has been made to draft precise language as the time period within which it is necessary to file these comments does not permit the kind of discussion among the sponsors

of these comments that would be necessary to formulate specific language. Thus, at this time we are presenting the matters that the rules should address and providing general language on our suggestions as to how those matters should be addressed.

A. The existence of Orders for new equipment should be made known to competitors that will interconnect with or otherwise use that equipment at the same time as knowledge of the order is made known to interested personnel within the LEC.

B. Local exchange carriers should be required to permit co-location and connection to their switches without reference to the capacity of the co-locator or connector. Charges for co-location and connection of LEC competitors should be at LEC cost and in no event more than the LEC charges for co-location and/or connection for its affiliates.

C. Local exchange carriers shall not include in its monthly bills charges for any ancillary services that it provides in competition to others.

D. LEC service representatives will not solicit ancillary business from customers, except through personnel totally separated from other LEC employees.

E. LECs must note the availability of ancillary services from others in any marketing effort, including information contained in directories, etc.

F. The FCC should provide specific procedures for expedited resolution of problems involving the timing of order fulfillment and service disruption of competitive services.

G. LECs should make available to competitors on an unbundled basis, any and all ancillary features available, whether on a bundled or unbundled basis, from the LEC or its affiliates, including, but not limited to line signaling for message waiting.

H. All services and facilities that a LEC provides to its affiliate should be pursuant to a tariff or, if the Commission determines that the service or facility can be offered other than by tariff, pursuant to a published, publicly available document setting forth all the

terms and conditions under which the element is offered. Any restrictions based on the size of the order or timing regarding the initiation of service must be clearly based on costs and an explanation of these cost differences should be widely available so that others understand and take advantage of those differences where possible.

CONCLUSION

The purposes of the Telecommunications Act of 1996 will be achieved only if the Commission continues to take those actions necessary to enforce its provisions. Towards this end, Voice-Tel urges the Commission to adopt rules as suggested herein setting forth conditions precedent to the offering of in-region, interLATA services by the incumbent LECS and to take such other steps as may prove necessary to accomplish the goals of full and free competition in the public interest.

Respectfully submitted,

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August 15, 1996

An Attorney for Voice-Tel